REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS COUNTY OF SAN BERNARDINO REDEVELOPMENT AGENCY, CALIFORNIA AND RECORD OF ACTION

March 30, 2004

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FROM: JOHN E. NOWAK, Redevelopment Administrator

SUBJECT: RESOLUTIONS ACCEPTING AND APPROVING THE PRELIMINARY PLAN

FOR THE CEDAR GLEN REDEVELOPMENT PROJECT AND SETTING THE TEMPORARY REVISED VALUATION PURSUANT TO PROPOSITION 8 EFFECTIVE JANUARY 1, 2004 AS THE BASE YEAR PURSUANT TO THE

COMMUNITY REDEVELOPMENT LAW SECTION 33322.

RECOMMENDATION:

- Adopt resolution designating the boundaries of the proposed Cedar Glen Disaster Recovery Redevelopment Project and accepting and approving the Preliminary Plan for the proposed Project.
- 2) Adopt resolution establishing the Base Year Assessment Roll for the Cedar Glen Disaster Recovery Redevelopment Project and authorizing the transmittal of required documents and filing fee by the Interim Executive Director of the County of San Bernardino Redevelopment Agency (Interim County Administrative Officer, Mark A. Uffer).

BACKGROUND INFORMATION: The Board of Supervisors ("Board") previously authorized staff to take the necessary steps to pursue adopting the Cedar Glen Redevelopment Plan ("Plan"). Requirements for adopting redevelopment projects are established by the California Community Redevelopment Law Section 33000 et seq. ("CRL").

The Board adopted Resolution No. 2004-47 on March 16, 2004, that designated a redevelopment survey area ("Survey Area") for study purposes and directed the County Redevelopment Agency ("CoRDA") to formulate a Preliminary Plan for the area selected.

The Preliminary Plan is one of the steps in the redevelopment plan amendment process. It contains the proposed boundaries of the project area; a general statement of the land use, structures and standards proposed as the basis of the redevelopment of the Project Area; a demonstration of how the purpose of CRL would be attained by such redevelopment; a demonstration that the proposed redevelopment conforms to the County General Plan; and a general description of the impact of the project upon residents in the proposed Project Area. The boundaries proposed for the Project Area are the same as those designated as the Survey Area. The final boundaries of the Area may be smaller, but cannot be larger.

The Base Year is the level at which assessed valuation is fixed for purposes of calculating tax increment generated. Under the Community Redevelopment Disaster Project Law, the base year

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is generally fixed at the reduced assessed valuation level following a declared disaster. This permits a more rapid growth in tax increment to effectuate the improvements necessary to rebuild an area after a disaster. The County Tax Assessor has reassessed properties damaged or destroyed in the Old Fire in the fiscal year 2003-04 tax year, and this would therefore become the base year for the Cedar Glen Project Area. Officially, the "Temporary Revised Valuation pursuant to Proposition 8 and effective on January 1, 2004" will serve as the base year for the Project Area.

In addition, Recommendation #2 authorizes and directs the Interim Executive Director to prepare and deliver all necessary notices and materials to the affected taxing entities and to the State Board of Equalization informing them that the County is considering a redevelopment plan for the Cedar Glen Project Area. There is a filing fee required for the Board of Equalization transmittal, estimated \$4,000.

It is important to note that adoption of the resolution will <u>not</u> approve, nor will it require or commit the CoRDA or the County Board to approve the Cedar Glen Redevelopment Plan in the future. By adopting the attached resolutions, the County will be initiating the redevelopment plan amendment process. Prior to the adoption of the proposed redevelopment plan, the Board would hold a joint public hearing with the CoRDA to consider the adoption of the proposed redevelopment plan, scheduled for July 2004.

REVIEW AND APPROVAL BY OTHERS: This report has been reviewed by Deputy County Counsel Michelle D. Blakemore on March 23, 2004, and by the County Administrative Office, Patricia M. Cole, Administrative Analyst III on March 20, 2004.

FINANCIAL IMPACT: Funding for the Project Area Plan has been included in the current Cedar Glen operating budget, including the Board of Education filing fee of approximately \$4,000. No County General Funds will be used for the Plan Amendment.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item and concurs with the department's proposal and recommends this action based on the ability of the Redevelopment Agency to eliminate blight and promote economic activity in the Cedar Glen area, and that timely action is required to complete adoption in order to use the FY 2003-04 base year. Further, no County General Funds will be used in preparation of this amendment.

SUPERVISORIAL DISTRICT(S): Third

PRESENTER: John E. Nowak, Redevelopment Administrator, (909) 381-7983.